

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In re

Amendment of Section 76.51
of the Commission's Rules
to Include Dubuque, Iowa
in the Cedar Rapids-Waterloo, Iowa
Television Market

CS Docket No. 96-119

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TO: Chief, Cable Services Bureau

REPLY COMMENTS OF AFLAC BROADCAST PARTNERS

AFLAC Broadcast Partners ("AFLAC"), the licensee of KWWL(TV), Waterloo, Iowa, by its counsel, hereby submits its Reply Comments in the above-captioned proceeding. For the reasons set forth below, AFLAC agrees with the position of Cedar Rapids Television Company ("CRTV"), licensee of KCRG-TV, and supports the proposed addition of Dubuque, Iowa to the Cedar Rapids-Waterloo, Iowa television market.

The proposed change in the FCC's market designation would merely recognize what the television ratings services have recognized for many years -- that stations in Waterloo, Cedar Rapids, and Dubuque compete for viewers and advertising dollars and that the three communities effectively define a single television market. Thus, both Nielsen and Arbitron have long designated the market as "Cedar Rapids-Waterloo-Dubuque." Viewed in this light, AFLAC submits that the proposed change in

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the Commission's market designation is largely a formality -- albeit a necessary and important one -- that will bring the Commission's rules into conformance with the competitive realities of the television marketplace in Eastern Iowa.

KWWL(TV) places a Grade B contour over Dubuque and, for ten years, has maintained a local sales office and news bureau in Dubuque that are staffed on a full-time basis by Dubuque residents. Dubuque advertisers regularly buy advertising time on KWWL and advertising revenues generated by its Dubuque office constitute a significant portion of KWWL's local advertising budget. Moreover, for the past seven years, KWWL has had a live microwave link from Dubuque to its main studio in Waterloo and regularly features live shots from Dubuque in its local newscasts; stories concerning events in Dubuque are included in virtually every KWWL local newscast.

As an indication of the success experienced by KWWL and the other Cedar Rapids-Waterloo stations in serving the Dubuque area, the May, 1996 Nielsen ratings book indicates that KWWL has a 12 rating in Dubuque with its 6:00 p.m. local news program, followed by KFXB-TV (Dubuque) with an 11 rating, KCRG-TV (Cedar Rapids) with a 7 rating, and KGAN-TV (Cedar Rapids) with a 2 rating. The Nielsen ratings data for the 10:00 p.m. local newscasts again reflects the level of service provided to Dubuque by the Cedar Rapids-Waterloo stations, as well as the interest in that programming by Dubuque residents. In the May, 1996 Nielsen ratings book, KWWL had

a 13 rating in Dubuque for its 10 o'clock news. KFXB-TV also had a 13 rating, followed by KCRG-TV and KGAN-TV, which were tied with a 6 rating.

Notwithstanding the position that KFXB(TV) has taken in its Comments in this proceeding, that the proposed market redesignation should be rejected because stations in the Cedar Rapids-Waterloo area do not compete with the Dubuque stations (and vice versa), it is abundantly clear from its competitive conduct that KFXB(TV), licensed to Dubuque, does, in fact, consider Dubuque to be part of the Waterloo-Cedar Rapids market and intends to do everything possible to expand its audience and revenues in Cedar Rapids-Waterloo. As pointed out by CRTV in its initial Comments in this proceeding, KFXB(TV) recently entered into an agreement with KFXA(TV), Cedar Rapids, that essentially permits the two stations to operate as one. Such a simulcast operation, which enables the two stations to serve both the Dubuque and the Cedar Rapids-Waterloo area, would make little sense if, in fact, Cedar Rapids-Waterloo and Dubuque were separate markets. But the marketing materials from KFXA(TV) and KFXB(TV) that are appended to CRTV's Comments make clear that the combined stations intend to serve both the Dubuque and the Cedar Rapids-Waterloo areas:

Second Generation, which has owned stations for more than fifteen years, has merged two Eastern Iowa TV stations. One in Cedar Rapids KFXA. The other in Dubuque, KFXB to form a two station Fox powerhouse. **These two stations will simulcast (excluding the local Dubuque news), covering Eastern Iowa and bringing you a new television opportunity**

CRTV Comments, Exhibit 3 at 1 (emphasis added).

The KFXA/KFXB materials go on to discuss the new tower under construction by KFXA, as well as the new KFXA antenna, that will give the two stations broader coverage in the DMA (i.e., Cedar Rapids-Waterloo-Dubuque).¹ That same marketing material also touts the market-wide cable carriage provided by the two stations: "Currently we are carried on the Cedar Rapids, Waterloo and Dubuque systems giving your business maximum exposure. And by this fall, Fox 28 & 40 will be on every cable system in the DMA." CRTV Comments, Exhibit 3 at 1. Finally, at the bottom of that page of the KFXA/KFXB marketing materials, and appearing on most of the pages in that set of documents, is the market identification: "Cedar Rapids • Waterloo • Dubuque." Thus, although KFXB(TV)'s Comments assert that Dubuque is not part of the Cedar Rapids-Waterloo market, its conduct provides compelling evidence to the contrary.

For the above reasons, as well as those set forth in CRTV's Comments, AFLAC submits that the proposal should be adopted and Section 76.51 of the

¹ KFXB(TV) also has filed with the Commission an application to upgrade its present transmission facilities to an effective radiated power of 5,000 kW. See FCC File No. BPCT-960711KS. It is apparent that, in conjunction with the facilities upgrades discussed above now being undertaken by KFXA(TV), this change is intended to substantially increase the ability of the two stations to serve the entire Cedar Rapids-Waterloo-Dubuque DMA.

Commission's Rules amended to add the community of Dubuque, Iowa to the Cedar Rapids-Waterloo, Iowa television market.

Respectfully submitted,

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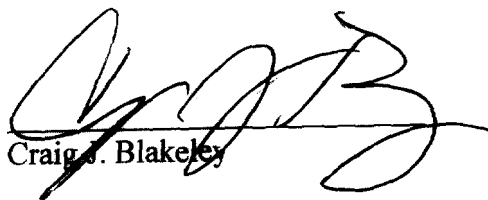
August 12, 1996

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing Reply Comments of AFLAC Broadcast Partners have been duly served by first-class mail, postage prepaid, this 12th day of August, 1996, upon the following:

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